Maryland Baby Boomer Initiative Council 2010 Report

EXECUTIVE SUMMARY

The Baby Boomer Initiative Act (Senate Bill 700/House Bill 599) established the Baby Boomer Initiative Council in October of 2007 to examine issues regarding civic engagement and lifelong learning specifically for Maryland's baby boomer population. The Council seeks to advance Maryland's plan not only for meeting the needs of its Boomers, but capitalizing on Boomers' talents, skills and energy to insure the State's economic and social capital.

In Maryland, there are currently 1.4 million Boomers, representing 24% of the total state population. The Council examined the Maryland boomer population in comparison to national figures, gathering data on gender, race, marital status, educational attainment and household income. This data revealed the large differences between counties among Maryland's Boomer population. It will be important to consider county variation when addressing the future opportunities, needs, and challenges of this group.

During the past year, the Council addressed four topic areas: 1. Workforce and the impact of the Baby Boomer generation on Maryland's business community; 2. Civic engagement and lifelong learning initiatives; 3. Community Partnership Models; and 4. Health issues.

Workforce Issues – Making better use of the older segment of the workforce is an often overlooked opportunity within Maryland. The state should develop strategies to retain these skilled workers to train the younger segment of the workforce. Economic development agencies that regularly keep in touch with local businesses need to develop a better awareness of the issue of the aging workforce and be prepared with resources and advice on this issue. For example, accommodating older workers by allowing part-time employment and teleworking opportunities is in the best interests of both employers and older employees.

The Council reviewed five existing state programs that address workforce challenges facing Maryland: 1. Experience Works – Senior Community Service Employment Service Program; 2. Maryland Troops to Teachers; 3. Maryland Teacher Certification Programs – Maryland Approved Alternative Preparation Program; 4. Anne Arundel County Respite Care Referral Program; and 5. Encore Career Development by Community Colleges.

Lifelong Learning and Civic Engagement – Baby Boomers' expressed interests in exploring new options, continuing lifelong learning, working in new capacities, participating in sophisticated volunteer activities, and engaging in meaningful societal issues broadly fit under the term civic engagement. One important component of civic engagement is volunteerism. A 2010 report released by the Corporation for National and Community Service found that 29.4 percent of Marylanders volunteer each year, totaling nearly 200 million hours of service, with a value of $4.2 billion in value to local citizens and communities.

The Council reviewed six existing civic engagement initiatives in Maryland: 1. Neighbors in Deed; 2. Senior Leadership Montgomery; 3. Experience Corps; 4. Legacy Leadership Institute

on Public Policy; 5. Governor's Office on Service and Volunteerism; and 6. The National Governor's Association Policy Academy on Civic Engagement of Older Adults.

Community Partnership Models – Several states, including Maryland, have begun to recognize the need for developing community partnership models that engage multiple stakeholders to plan for livable communities with the coming "age wave." AARP defines a livable community as one that has affordable and appropriate housing, supportive community features and services, and adequate mobility options, which together facilitate personal independence and the engagement of residents in civic and social life.

The Council reviewed five community partnership models: 1. Maryland Communities for a Lifetime; 2. Village to Village; 3. Cohousing; 4. Gray Shore – The 50+ Network for Creative Engagement; and 5. Older Dominion Partnership. While the first three models focus on Boomers' desire to "age-in-place," the fourth and fifth models extend their "reach" to include other pertinent aspects of Boomer aging.

Health Issues – While the Council acknowledges that the health of aging Boomers is not within the Council's charge, health will be a major factor in the ability of Boomers to continue to work or become involved in civic engagement activities. Boomers will need ever increasing levels of healthcare, and for Boomers who require long term support services, it will cost the state to provide such services to those who cannot pay out of pocket, through either general funds or Medicaid. It is in the State's best interest to encourage the Boomer population to engage in healthy lifestyles, encompassing diet, exercise, and social/civic activities.

Next Steps – The Council has five objectives for 2011: 1. Engage the business community in proposed and/or ongoing Boomer initiatives; 2. Enlist support from the Governor's Workforce Investment Board (GWIB); 3. Further study the health and social benefits derived from Boomer initiatives described in this report; 4. Work with the University of Maryland and the John Hopkins University to determine the feasibility of initiating a study to better determine the economic and social impact of older workers in Maryland; and 5. Engage in more in-depth study of Maryland's and other states' Boomer initiatives towards developing a state model of community partnership and outreach.

I. INTRODUCTION

The baby boomer generation[1] has always been, and continues to be, a distinctive cohort from generations in the past. On January 1, 2011, the first of the 77 million Baby Boomers turned 65 years old. In the past, the age of 65 has marked the milestone of transitioning into retirement with a shift in priorities. But now the desire and ability to retire at 65 years old has been called into question, given the dramatic lengthening of the life span, coupled with the economic realities including the recent recession of 2007-2009, the widespread movement away from

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[1] The term "baby boom" refers to the 18-year period after WWII from 1946-1964, in which the highest birthrate in US history was recorded.

employer defined benefit pension plans towards defined contribution plans, the shortfall of the Social Security system and the move to increase the age of full benefits to 67. Until the early 1980s, the trend was for an increasing number of men to retire early at 62 years old. Specifically, the Social Security Amendments of 1983 (HR 1900, Public Law 98-21) contain a provision that states that the age for collecting full Social Security retirement benefits will gradually increase from 65 to 67 over a 22-year period beginning in 2000 for those retiring at age 62.

Many surveys indicate the boomer generation is more educated, more affluent, and healthier than any previous generation. Surveys of Boomers indicate their desire to continue working and building their social capital by using their skills and experiences to contribute to civic engagement initiatives (AARP, 2003, 2004, 2005; Hart, 2008). Furthermore, numerous studies of the generation preceding the Boomers have found that older persons continue to work, find a second career, volunteer, or become involved in local affairs, maintain better physical and mental health (Hoffman, 2007, 2008, 2010; Morrow-Howell, 2010)..

The above cited trends and survey results make the findings and recommendations of the MD Baby Boomer Initiative Council critical for advancing Maryland's plan not only for meeting the needs of its Boomers, but capitalizing on Boomers' talents, skills and energy to insure the State's economic and social capital.

II. BACKGROUND

A. The Baby Boomer Initiative Act

The Baby Boomer Initiative Act (Senate Bill 700/House Bill 599) established the Baby Boomer Initiative Council in October of 2007 to examine issues regarding civic engagement and lifelong learning specifically for Maryland's baby boomer population, presently totaling 1.4 million. Members of the Council were not named until May of 2010 (see Appendix I for Council members). This report provides the Council's findings from May, 2010 through December, 2010 per requirements of the Act.

B. Profile of Maryland's Baby Boomer Generation

The baby boomer generation has been heralded as a distinctive cohort conspicuously different from generations in the past. Nationally, Boomers represent 27% of the population, and 48% of all households. The baby boomer generation is unique not only in its sheer size, but its values, life choices, and longevity. In "Baby Boomers-Just Another Generation," Barnes (2007) describes the factors that set the boomer generation apart including: it is the first generation to be raised largely in the suburbs, and on television, rock n' roll, comics, movies, soft drinks, and fast food. It is also the primary generation to have fought in and protested the Vietnam War, questioned authority, experimented with drugs and alternative lifestyles, and led both the Civil Rights and Women's Right's Movements. With $41.5 trillion in wealth, the baby boomer generation is the most affluent consumer group that has ever existed.

The Council examined the Maryland boomer population in comparison to national figures, gathering data on gender, race, educational attainment and household income. Perhaps the Council's most important finding in this part of the review was the large differences between counties among Maryland's boomer population. It will be important to consider county variation when addressing the future opportunities needs and challenges of this group.

Maryland's Boomers represent 24% of the total state population (1.4 million out of 5.7 million). Gender and racial distribution of Maryland's Boomers largely mirror Maryland's overall population. Younger Boomers (ages 46-54) outnumber older boomers (ages 55-64) by 10 percent. Four counties account for 57% of the Boomer population in Maryland – Montgomery County (249,289), Prince George's (199,434), Baltimore County (194,757), and Baltimore City (150,572) The counties with the greatest percentage of college graduates or above are Montgomery County (60.3%) and Howard County (60.1%), much higher than the overall average of 36.7%. Washington County (16.9%) has the lowest of all counties. The counties with the largest average household income are (in order): Howard ($141,895), Montgomery ($139,317), and Anne Arundel ($114,502). Allegany ($61,068), Garrett ($61,068), and Baltimore City ($56,953) have the least. Summary tables of Maryland's Boomers are provided in Appendix II, including data regarding overall population (Appendix Table 1), gender (Appendix Table 2), race (Appendix Table 3), educational attainment (Appendix Table 4), marital status (Appendix Table 5) and household income information (Appendix Tables 6-8).

In addition, the following demographic trends will shape the goals and priorities for services to Boomers in Maryland:

- Individuals over the age of 85 are the fastest growing segment of Maryland's population, growing from 66,902 in 2000 to 173,355 by the year 2030.

- The greatest numbers of the State's minority seniors live in Baltimore City, followed by Prince George's County and Montgomery County.

- Low-income older individuals are concentrated in the Baltimore metropolitan area. A smaller number of poor individuals aged 60+ reside in Western Maryland and on the Eastern Shore. Approximately 5% of older Marylanders live in poverty as defined by the federal poverty guidelines.

- In Kent, Talbot, and Worcester counties on the Eastern Shore, individuals over 65 outnumber individuals under 18.

- Females outnumber males among Baby Boomers – 52.5% to 47.5%. The spread is greatest among older Boomers (53.1% females in the 60-64 years range) and smallest among younger Boomers (51.7% females in the 46-49 years range).L

- Approximately two-thirds (66.3%) of Boomers are white, with slightly more than one-quarter (26.4%) black. Within the 18-year age range of Boomers (46 to 64), the percentage of whites increases with age, while the percentage of blacks decreases. Hispanics comprise only 3.6% of Boomers, with this percentage largest for the younger Boomers (4.7% for 46 to 49) and smallest for older Boomers (2.4% for 60 to 64).

- Almost two-thirds of Baby Boomers (63.8%) are married, while 23.9% are separated, widowed or divorced and 12.3% never married. Among those Boomers who are widowed, females outnumber males by nearly four to one (3.2% of the population for females; 0.9% of the population for males).

III. ISSUES ADDRESSED BY THE COUNCIL

A. Workforce – Impact of the Baby Boomer Generation on MD's Business Community

<u>Identification of the Issue</u>

By 2018, economists forecast a labor shortage and at least 5 million potential job vacancies, with nearly half of them in social sector jobs, including in education, healthcare, government, and nonprofit organizations (Bluestone & Melnik, 2010). Baby Boomers are being examined more closely as a group to fill this gap.

Making better use of the older segment of the workforce is an often overlooked opportunity within the State. The challenge of replacing older workers is a developing concern for employers. With the oldest Boomers just beginning to retire, the number of older workers in Maryland's workforce has crested and will decline over the next two decades. Businesses have historically concentrated efforts to attract and train younger workers, perhaps to the exclusion of retaining older workers. The current economic slowdown has masked the problem somewhat, with employers currently enjoying a buyer's market for talent, but as the economy recovers and the market balances out, the expected wave of retirements over the next 10 to 20 years will likely create skill shortages in certain industries, particularly those in technology and those requiring federal clearance. Businesses should recognize that maximizing the utility of older workers may require a special effort, just like attracting and training younger workers. Accommodating older workers likely means that businesses will have to pay particular attention to issues relating to transportation, health care coverage, and part-time workers.

Economic development agencies that regularly keep in touch with local businesses need to develop a better awareness of the issue of the aging workforce and be prepared with resources and advice on this issue. The Governor's Workforce Investment Board (GWIB), the state's chief policy-making body for workforce development in Maryland, also needs to be engaged on this issue and become involved with the activities of the Baby Boomer Initiative Council.

<u>Boomers in Maryland's Workforce</u>

The Baby Boomer generation has significantly impacted the demographic makeup of the workforce over the last 40 years. As Boomers entered the workforce, the average age of workers became younger through the 1970s and 1980s. Then in the 1990s and 2000s, as Boomers hit their 40s, 50s and 60s, the average age of workers got older.

After increasing rapidly from 1990 to 2010, the percentage of older persons of working age has

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now reached a peak, accounting for 46% of the working age population. As seen in Table 1, as Boomers retire, this percentage will start declining and will continue to decline for the next 20 years to a low of 39.8% of the working population.

Table 1. Percentage of Working Age Population in Maryland, by Group

	1970	1980	1990	2000	2010	2020	2030
Age 20-44	62.7%	65.9%	69.1%	61.8%	54.0%	55.4%	60.2%
Age 45-64	37.3%	34.1%	30.9%	38.2%	46.0%	41.8%	39.8%

Source: Maryland Department of Planning, February 2009 estimates.

As seen in Table 2, the number of people aged 45 to 64 doubled from approximately 786,000 in 1970 to 1.6 million in 2010. The number of people in this age group is now approaching a peak and will start to decline after 2015, to approximately 1.4 million in 2030. Despite a projected increase in younger workers over the next two decades, the total number of people of working age, 20 to 64, will peak by 2020 and will decline slightly after that.

Table 2. Total Working Age Population in Maryland, by Group

	1970	1980	1990	2000	2010	2020	2030
Age 20-44	1,321,781	1,645,037	2,046,144	1,978,806	1,878,310	2,105,150	2,170,780
Age 45-64	785,840	849,550	914,989	1,225,408	1,600,200	1,623,030	1,436,840
Total (20-64)	2,107,621	2,494,587	2,961,133	3,204,214	3,478,510	3,638,180	3,607,620

Source: Maryland Department of Planning, February 2009 estimates.

Maryland's economy has changed considerably since Boomers first entered the workforce in the late 1960s, from one based on manufacturing, transportation and trade, to a "knowledge-based" economy based on information technologies, professional services, health care and biosciences. Maryland businesses have begun to recognize these trends, and are developing ways to attract and retain the next generation of college graduates in technical fields. Encouraging the development of a knowledge-based workforce starts even earlier, with an emphasis in the state's K-12 school system on the STEM fields – science, technology, engineering and mathematics. Many Maryland businesses partner with school systems, colleges and universities to encourage STEM education as a means of preparing the next generation of the workforce. In effect, the emphasis has largely been on filling the front end of the workforce pipeline.

With an emphasis on the development of the next generation's workforce, perhaps the retention and utilization of the older segment of the current workforce is an overlooked opportunity. The impending retirement of the Baby Boomers over the next 10 to 20 years will likely create skill shortages in certain industries. This is already a concern in some technology fields and those requiring federal security clearances.

The growing number of retiring Baby Boomers and its "brain drain" can be viewed as a concern or threat to many businesses. But to the extent that Boomers may want to continue working past a normal retirement age, it can also be seen as an opportunity for these businesses.

Military workers eligible for retirement at a relatively young age may have skills that can be utilized by Maryland businesses. As they approach retirement age, some will contemplate moves to other states to start a second career elsewhere. By retaining them here in Maryland, their skills and experience can be an asset to Maryland businesses. The state should develop strategies to retain these skilled workers to train the younger segment of the workforce.

Accommodating older workers in the workplace is in the best interests of both employers and employees. If businesses recognize the value of older workers, they should be willing to accept some of the demands and challenges of employing them. These include:

- **Part-time work** – Boomers express interest in continuing to work, but not necessarily at 40 hours per week.

- **Transportation** – Driving long distances is a barrier expressed by many boomers. Teleworking is a potential solution to this barrier.

- **Health care coverage** – Boomers express that retaining health benefits is a critical reason for continuing to work. Maryland should research options for providing part-time workers with such benefits?

Existing State Programs Reviewed

The Council reviewed five existing state programs that address workforce challenges facing Maryland: 1. Experience Works – Senior Community Service Employment Service Program; 2. Maryland Troops to Teachers; 3. Maryland Teacher Certification Programs – Maryland Approved Alternative Preparation Program; 4. Anne Arundel County Respite Care Referral Program; and 5. Encore Career Development by Community Colleges.

1. Experience Works – Senior Community Service Employment Service Program

Experience Works is a national non-profit organization that offers training, employment and community service opportunities for older workers. This includes a variety of programs designed to help primarily low-income older individuals get the training they need to find good jobs in their local communities. Experience Works operates in 30 states and Puerto Rico, and serves more than 30,000 older workers each year.

The Senior Community Service Employment Program (SCSEP), administered by the U.S. Department of Labor, is Experience Works' largest program. SCSEP provides training and employment assistance to eligible workers through participating 501(c) (3) non-profit agencies or government entities (host agencies) that provide a community service to the general or senior populations.

Qualified older workers update and enhance their skills through opportunities for training

provided by the host agencies. Participants receive minimum wage for 20 hours of work per week that is paid for by a federal grant from the US Department of Labor and authorized under Title V of the Older Americans Act. They are placed in a wide variety of community service activities at non-profit and public facilities, including day-care centers, senior centers, schools and hospitals. Community service training serves as a bridge to unsubsidized employment opportunities.

In Maryland, the SCSEP is administered by the Department of Aging. SCSEP trained180 participants in FY 2008 and roughly 250 participants in FY 2010. In FY 2008, the program received $1.27 million from the Federal government and $239,470 in state funds (Maryland Department of Aging, 2008).

2. Maryland Troops to Teachers

The Troops to Teachers Program is designed to assist separating or retiring military personnel pursue a rewarding second career in public education while also addressing teacher shortage issues in public schools. Funded by the U.S. Department of Education and administered by the U.S. Department of Defense through the Defense Activity for Non-traditional Education Support (DANTES), the long term goal is to help improve American education by providing mature, self-disciplined, experienced and dedicated personnel for the nation's classrooms.

Administration of the Maryland Troops to Teachers Program is provided by the MSDE. Maryland school districts are looking to fill teacher shortages in math, science, special education, English, foreign language and computer science classrooms. Other opportunities are sometimes available in elementary, social sciences, vocational and language arts. Employers are showing a great interest in individuals with prior military service who can provide positive role models for the nation's public school students. The program serves as a link between interested military personnel and education related agencies such as: traditional teacher certification programs, alternative certification programs, school districts, the Maryland State Department of Education (MSDE) Division of Certification & Accreditation, Veteran Administration (VA) offices and college placement offices.

3. Maryland Teacher Certification Programs – Maryland Approved Alternative Preparation Program

Individuals already possessing a bachelor's degree may acquire and maintain certification by obtaining a Master's degree. The Maryland Approved Alternative Preparation Program (MAAPP) provides a more direct and less expensive route to acquiring certification. Participants receive the Resident Teacher Certificate early on in the program, entitling one to teach with a fully recognized license.

Some MAAPPs are less costly and provide a quicker entry into teaching with fewer requirements for program completion. Several MAAPPS work in partnership with a community college or a private provider such as The New Teacher Project or Teach for America, or programs offered by school systems themselves. These programs do not include post-employment coursework that

may conclude with the degree; however, all programs require post-employment training during the first two years. In all cases, participants receive the Resident Teacher Certificate and are eligible to teach in the schools in the local school system that is shown as the partner on the listing of programs.

4. Anne Arundel County Respite Care Referral Program

This program began in 1986 as part of the job training partnership act to recruit people over the age of 55 to provide quality care at a lower cost for the frail elderly and disabled, and to provide relief to family caregivers. Between the years of 2001-2010, this program has trained 500 older workers as Companion Caregivers.

All respite workers undergo a stringent application process before being placed on a registry, to include a criminal background check, two professional references, and an interview. Caregivers complete a 22-hour Companion Caregiver and Ethical Standards Training by the Department of Aging and Disabilities (DoAD) or 8 hours training with DoAD along with 110 hours of Certified Nursing Assistant Training. All respite care workers are self-employed, independent contractors in good standing on the Respite Referral Program Registry.

5. Encore Career Development by Community Colleges

Since 2007, 40 colleges nationwide have each been awarded a $25,000 Community College Encore Career Grant by Civic Ventures, Inc. to develop and implement programs that help boomers "recareer" for encore careers in education, health, social services and the new green economy. Programs have ranged from weekend workshops and job fairs, to hybrid online and in-person courses, to fast-track credential programs that help boomers become teachers and caregivers.

There are three grant-winning community colleges within the state of Maryland:

- Anne Arundel Community College (Arnold, Md.), created the "Allied Health Pathway for Encore Careers," a course consisting of two free online classes to educate older students about health care careers. The college will provide transition services to help students who want to move into noncredit health programs.

- Prince George's Community College (Largo, Md.), adapted its existing 60+ older learner program to train students over 50 for health and human service careers. The college will provide comprehensive career and life coaching, job search skills and resume development. An advisory board will make connections with local employers and make the case for Encore talent.

- Baltimore City Community College (Baltimore, Md.), helps African-American women over 50 develop the skills they need to transition to encore careers.

B. Civic Engagement/Lifelong Learning

Identification of the Issue

Civic engagement or civic participation has been defined as "individual and collective actions designed to identify and address issues of public concern". Baby Boomers express interest in exploring new options, continuing lifelong learning, working in new capacities, participating in sophisticated volunteer activities, and engaging in meaningful societal issues broadly fit under the term civic engagement.

One important component of civic engagement is volunteerism. According to a 2010 report on volunteering in the United States released by the Corporation for National and Community service, based on US Census Data collected 2006-2008 (CNCS, 2010):

- 1.3 million Maryland citizens, or 29.4 percent of the population, volunteer each year;

- Maryland volunteers provide 199.8 million hours of service;

- Maryland volunteers serve 45.7 hours per person - ranking Maryland 6th among the 50 states and Washington D.C. and

- The value of Marylander's service is $4.2 billion to local citizens and communities.

Civic engagement has been championed by a number of national organizations including the Gerontological Society of America (GSA), the American Society of Aging (ASA), the National Council on Aging (NCOA), and the AARP, all of which have made civic engagement a programmatic priority. Created in 2009, Age4Action, links organizations focused on workforce, civic engagement, lifelong learning, and advocacy to share common resources, knowledge, and tools, so they can best leverage the talent of people who are 50+. Civic engagement was the featured topic of the 2005 White House Conference on Aging. Since 2007, the National Governors Association's Policy Academy on Civic Engagement of Older Americans has enlisted states to begin formulating state-wide plans to promote and increase the civic engagement of citizens age 50+ (Hoffman, 2010).

The Older Americans Act, which is up for reauthorization in 2011, provides authority for the Administration on Aging to develop and implement programs that facilitate the civic engagement of older Americans.

Monetary awards for civic engagement have also been established. Civic Ventures awards five "Purpose Prizes" of $100,000 and five prizes of $50,000 to individuals over 60 years old who have "improved their communities and the world." To date there are more than 300 Purpose Prize winners and fellows for making "extraordinary contributions in their encore careers (Civic Ventures, 2010).

Most recently, the Edward M. Kennedy Serve America Act (2009), signed by President Obama in April, 2009, established federal encore fellowships for Americans age 55 years and older. While the program specifics and funding are not yet in place, and while current fiscal realities